

PT/MO EXPRESS

Princeton Trenton Monmouth Ocean Chapter (www.apics-ptmo.org)

<<<< Check out our Chapter Website: www.apics-ptmo.org >>>>

October, 2002
Volume 6 Issue 2

Professional Development Meeting, October 16, 2002

Warehouse Metrics

Presented by: Art Shaffer, CPIM

When asked the question “How is your warehouse performing?”, your response is probably “great” or at least “OK.” What is your response to the question “How do you know?” Is it a “gut feeling”? Is it “the boss said so”? It should be “We are exceeding our performance measurements.”

If you are using Metrics, are you tracking the right performance indicators? Are the indicators the correct ones to assure that you are meeting your goals? If you are not using Metrics, are you ready to start a Metrics implementation project?

Implementing a Warehouse Metrics program is critical to your success. However, Metrics must add value to the distribution process. We should not focus on how great we are doing. It is more important to focus on where should we improve the process and how do we track the improvement. When we set goals, they must be the right goals and they must be measurable. The process requires feedback and the ability to set a corrective action plan when required.

The information on Metrics is not limited to warehousing. Although the focus will be on warehousing, the information presented will also be helpful in establishing Metrics in your manufacturing operation or other areas where you are working. We are going to discuss:



What are warehouse Metrics?
Why are Metrics important?
What is important for your business?
Are you over/under tracking?
Are you using the information to the best advantage

Art Shaffer, CPIM, has been in

Art is currently completing his third year on the APICS Region 9 staff, serving this year as Director of Publicity. He has been a member of the Congress for Progress Board for 11 years. Art has been a member of the Central Jersey APICS chapter for 13 years and is on their Board as a member of PAC.

Art is a graduate of NJIT, with a MS in Engineering Management. He also graduated Fairleigh Dickenson University, with a BS in Industrial Engineering.

Art can be reached at 908-789-3237 or via email -

ABShaffer@yahoo.com.

About the Speaker:

Supply Chain Consulting for 14 years. He has been working in the manufacturing and distribution/warehousing area. Art has experience in implementing ERP and WMS software systems along with project management and process improvement programs. His industry experience includes automotive, chemical, consumer, electronic, food/beverage, paper, and textile. Prior to that, he was the Materials Manager for the Signal Stat Division of Federal Mogul.

INSIDE THIS ISSUE:

Officers	2	CP 27	6
Gerry's Gems	4	Feedback	7
Presidents Message	3	Event Calendar	2
From the Desk of		Membership Corner	5, 6
George Lazarides	3	Education	3
Job Posting	7	A Little Humor	7

President's Message: By Blair R. Williams, CFPIM, Jonah

Greetings to all APICS members of PTMO

We continue our **focus** on providing you, our customers, both corporate and individual, with value. Our forum membership is slowly growing. Please join our forum by sending an email to forum@apics-ptmo.org with the subject 'Subscribe'. Our free education to include unemployed and teachers is working and is being appreciated

I looked at some websites that may help you in your work they are:
www.sme.org - this is the website of the Society of Manufacturing Engineers. Lots of good stuff

www.lean.org - exclusively for lean concepts and stories, edited by the founder Jim Womack
www.supply_chain.org - this is the Supply Chain Council's site.
www.cpfr.org/index.html - Collaborative planning, forecasting and replenishment – an approach
www.prtm.com/insight/ - I find this magazine very helpful
www.tocc.com/ - This is the Theory of Constraints site.

Hope these help. Please look at our website: <http://www.apics-ptmo.org> where we publicize our future events. Let us know what you would like us to do, so that you can get more value out of our efforts. Do talk or write to



us

Finally our welcome to the WERC (Warehousing Education and Research Council of NY, NJ and CT) and their President Lawrence Dean Shemesh. They are the joint hosts of our PDM in Oct.

From the Desk of George Lazarides

Education has started strongly with two classes completely filled with professionals working toward their certification. We are looking to try to start another two class in the next several weeks. A Basics of Supply Chain Management class and a Master Planning of Resources class. We need just two more members (non members also welcome) to register. You can do it right on line through our web site. <http://apics-ptmo.org/Education.htm>.

This link will take you right to our education classes. So if you were thinking about getting certified now is the time to start. Only three hours per week for the next nine or ten weeks. Then you'll be ready to start taking exams.

Members of Princeton / Trenton - Monmouth Ocean chapter who out of work will be given tuition to attend these certification classes. Members would only have to pay for their



books.

If you have any questions you can e-mail me at george.lazarides@us.rhodia.com. Hope to hear from you soon, George Lazarides

Certification Education

Register on line: www.apics-ptmo.org
Fee: \$350 includes workbook

Basics of Supply Chain Management

Dates: Sept. 26, '02 through Dec. 5, '02
Location: Medicia, Inc., Dayton, NJ
Instructor: John Christofferson, CPIM

Dates: Oct. 8, '02 through Dec 10, '02
Location: TBD (Monmouth/Ocean Counties)
Instructor: Drew Nadzan, CPIM

Dates: Sept. 23, '02 through Nov. 18, '02
Location: Shiseido, East Windsor, NJ

Detail Scheduling & Planning
Instructor: TBD

Execution & Control of Operations
Instructor: TBD

Master Planning of Resources
Blair R. Williams, C. Eng. (Lon), CFPIM, Jonah

Questions or comments can be directed to Gerry by phone at 609-497-6400 or by e-mail at najarian@remgrp.com

Set-up of machinery and other processes has had a unique place in twentieth century manufacturing. The paradigm in place was that set-ups are an unchangeable constant and therefore, in order to get the most use out of the set up, we should make the longest run of product that we could get on that setup. In fact "set up cost" was baked into the economic order quantity formula and consequently encouraged long runs of product and, of course the inventory that comes with long runs. Unfortunately, the paradigm of the early twentieth century is still with us in the new millennium. The plain fact is that set-up reduction is the key to manufacturing flexibility and flexibility is the key to small lot production and small lot production is the key to lower inventories and better customer service. So lets have a look at set-up reduction.

The most important thing to know about set-up reduction is that it is mostly procedural; probably 75% of the time saved in set-up reduction is achieved by changing procedures. The balance is achieved through capital spending. If you want to get a good image of a rapid set-up, check out any NASCAR event and carefully watch a pit crew in action. Ten people descend upon the racecar and in less than fifteen seconds have the car on its way again. All of the pit crew's "set-up" is disciplined and coordinated procedure. We can do that in a plant. Here are some concepts for successful set-up reduction.

- **Recognize the difference between "internal" and "external" set-up.** *Internal* set-up are tasks that must be done when the machine is not running and *external* set-up are tasks, which may be done when the machine is still running.
- **Try to move as much of the set-up from *internal* to *external*.** The more of the set-up work that can be done while the machine is still up the faster the changeover. Imagine if the pit crew person waited until the car came into the pit to inflate the tires that are going to be put on the car. By inflating them in advance they have made that work *external*. In a plant that uses dies and molds for example, off-line heating of these tools can be done in advance of the line going down instead of running numerous defective parts to heat them on line.
- **Improving *external* set-up.** Set-up is one of the

most disorganized activities in most plants so much will be gained by organizing those tasks that can be done while the machine is still running. Keeping in mind the pit crew that has everything it needs at hand and in working order, here are some simple organizational practices to consider:

- **Use a "check table."** This is a board on which drawings of all the parts and tools have been made and is used to lay all the tools and parts on to make sure that they are assembled prior to beginning the set-up.
- **Function checking.** Make sure all the parts and tools are in working order.
- **Transportation.** Move the parts and tools to the machine to be set-up before the machine goes down.
- **Improving *internal* set-up.** Now we turn to those tasks that must be done when the machine is "down." Here are three major set-up reduction opportunities:
 - **Parallel operations.** Just as the pit crew is a "crew," we have to abandon the idea of a single "set-up man" and have a crew working as a team to cut the *elapsed time* of the set-up.
 - **Clamping.** Reducing the time it takes to secure tooling is what clamping is all about. Here we seek to replace the endless turning of bolts with "one motion" methods using cams, springs, knock pins and the like.
 - **ELIMINATE adjustments.** This means eliminating the "set-up man's" intuition and developing fixed settings for the set-up team to use. Using fixed numerical settings, center lines and, referenced planes in place of imaginary/intuitive settings will speed the process by as much as 200%.

It's a science not an art! Think NASCAR when you think set-up and reduction opportunities will become evident.

Membership Corner
Director of Membership: Bob Franzblau

Membership Campaigns:

Below is a summary of the Membership Campaign programs that are in place by the PTMO chapter and APICS headquarters:

PTMO Member-Get-A-Member Program

Refer one new member and be eligible for the upcoming drawings:

\$50 drawing at November PDM

\$50 drawing at February PDM

or the \$150 drawing at April PDM with multiple chances to win

Refer 3 or more new members and for each referral increase your chances in the **\$250 drawing on Top Management Night in June 2003**

Be sure to put your name and Member ID number on the application and then submit it to:

Bob Franzblau or any other PTMO BOD member.

Applications are available here tonight or go to the following website to download an application:
<http://www.apics.org/downloads/default.asp> and then scroll down to "Membership"

APICS Headquarters Membership Campaign

Prizes are awarded to individuals who recruit 5 and 10 members. A \$750 APICS gift certificate will be awarded to the individual who recruits the most new members by December 31, 2002. The gift certificate can be used on APICS Bookstore purchases as well as APICS events.

Again, Be sure to write your name and member identification number on these applications before distribution to receive credit for the recruits.



Other Membership Items:

We will be continuing to award new APICS members with APICS Membership Certificates at each of our chapter meetings.

All other members who have never received a (personalized) APICS Membership Certificate are encouraged to contact me to have one printed. I can be reached via email: franzrf@yahoo.com or by phone: 732-446-4077.

I want to continue to urge members to provide APICS National with updated membership information. Please see me for APICS provided forms (prepaid postage) to update your contact information. Keeping your records up to date will help APICS and the PTMO chapter to serve you better and will ensure that you receive all the benefits of membership. You can also update your profile at the APICS National website: www.apics.org/ (go to Members only/ Log In/ Member info./ Member profile)

Mid Atlantic Supply Chain and Resource Management Symposium

Brought to you by

Congress for Progress 28

and sponsored by the

MID ATLANTIC CHAPTERS of APICS REGION IX

APRIL 9, 10, & 11, 2003

Sheraton, Atlantic City

Why Choose APICS Certification Programs?

APICS certification programs open the door to job opportunities and your career advancement. According to a recent APICS Salary Survey, respondents with CPIM or CIRM credentials earned 15 percent to 23 percent more than non-certified professionals.

In addition, more Internet-savvy manufacturing companies are demanding APICS certification on applicant resumes. On Monster.com, more than 61 percent of manufacturing jobs request APICS certification!

The CPIM and CIRM programs specialize in results-oriented education, which means that you will walk away with more than the professional credentials that you have earned. You will learn to apply what you have learned in your own job, giving you enhanced credibility and recognition as a valued resource within your company.

The APICS Certification Maintenance program prepares you for the challenges ahead by preserving the currency of your hard-earned certification credentials.

September Professional Development Meeting Feedback

The Speaker for the evening was Howard Forman, CFPIM, CIRM. We used our standard feedback form. There were over 30 attendees of which 24 filled out the form. The Subject received a 8.88 rating, while the speaker received 9.04 for Knowledge and 8.75 for Effectiveness, the Meeting Facilities received 8.83 and the Dinner received 8.58. Of the 24 respondents 22 were Members and 2 were Guests, 19 noted that they heard of the meeting from the Newsletter, 1 from Co-Workers and 3 from our Website. For future subjects the vote breakdown is as follows: Basic P&IM – 3, Advanced P&IM – 2, MRP – 5, JIT – 4, MPS – 5, Inventory Management – 6, Capacity – 7, SFC – 3, CIRM – 4, Distribution – 1, Lean – 1..

Comments:

- Good shot at Basics!
- Excellent dinner. Room was stuffy. Good speaker.
- Great Topic! Very useful information! Love the web site, too.
- Good Program, but coverage was very general!
- Excellent!

Special Notice

" Your PTMO Board of Directors passed a resolution to admit ALL unemployed members and all members of the teaching profession, FREE, to any certification class conducted by the chapter. You will need to pay for your participant books only. Please avail of our offer to add value to you, our membership. Please see the courses scheduled for Fall 2002 under Education"

Blair Williams

Position Available Warehouse Manager

Progressive distribution company is seeking a warehouse manager for it's branch in South Jersey. The warehouse manger is responsible for all warehouse operations including: receiving, shipping, stock rotation and care, inventory accuracy, scheduling procurement releases to refill inventory, employee training and evaluation and the like. Warehouse is a 45,000 square foot facility with 2000 SKUs in the inventory and twenty- five warehouse employees working two shifts during the peak season. Salary is based on experience and includes a performance based bonus. Full benefits package includes: stock option plan, generous medical plan, 401K plan. Candidates should have ten years experience in warehouse management and preferably hold CPIM designation and/or have heavy activity in APICS.

Send resume to Gerry Najarian at najarian@remgrp.com.

A Little Humor:

Morris, a parts manager for a small electronics shop, had occasion to order part No. 669 from the factory. But when he received it he noticed that someone had sent part No. 699 instead.

Furious at the factory's incompetence, Morris promptly sent the part back along with a letter giving them a piece of his mind.

Less than a week later, he received the same part back with a letter containing just five words:

"MORRIS TURN THE BOX OVER."